

HB 5130, An Act Concerning Student Loan Forgiveness or Nonprofit Employees
Higher Education and Employment Advancement Committee
February 22, 2022

Good afternoon, Senator Slap, Representative Elliott, Senator Flexer, Representative Turco, Senator Witkos, Representative Haines, and members of this Committee. My name is Katherine Whitney, and I am here today to testify in support of HB 5130 (an Act Concerning Student Loan Forgiveness for Nonprofit Employees). I am a graduate student at the University of Connecticut School of Social Work, an intern at the Connecticut Coalition to End Homelessness (CCEH), a resident of West Hartford, and I have been employed by, or volunteered for, four different nonprofits.

Student loan debt is an enormous burden for new graduates searching for their professional start after their undergraduate or graduate degreeⁱ. For current students who want to go into human services to make a positive impact on their communities or on statewide policy, nonprofit organizations offer a chance to dedicate their careers to doing just that. My classmates and I will be graduating with the passion and skills to serve the needs of Connecticut residents and will be looking for a way to make a difference in society, likely through the mission of Connecticut nonprofit organization. Unfortunately, with the combination of student debt and the chronically low wages that nonprofit organizations offer, graduates may not be able to afford to take a job in the field they have trained forⁱⁱ. The governor may wish to make Connecticut an attractive place to live for families and young people, but the reality is that without help for student debt, new graduates may take their educational investment and move to another state whether the cost of living is lower.

On top of the risk to the state that we will lose the benefit of highly skilled service providers, student debt relief is a matter of racial justice. Black and brown students, especially women of color, are paid less overall than white women and white men, and nonprofit organizations also exhibit this wider gender and racial pay gapⁱⁱⁱ. Because of this pay gap, it is especially difficult for Black and brown women to make a living wage while making student loan payments^{iv}. Connecticut still faces significant racial disparities in the labor market, and Black and brown women – professional nonprofit service providers who have made serious investments in their education and in their communities – are at risk of poverty because of the double burden of student loans and a racial and gender pay gap^v. Student debt relief through HB 5130 would be a step towards giving new graduates, and especially women of color, the support that they need, and would be a stride towards making Connecticut an equitable and affordable place to start a career.

Thank you for your time,
Katherine Whitney
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ⁱ AAUW, Deeper in Debt. 2020 Update. Retrieved from:
https://www.aauw.org/app/uploads/2020/05/Deeper_In_Debt_FINAL.pdf

ⁱⁱ The Connecticut Nonprofit Alliance. (2022, January). CT Nonprofit Workforce Crisis: Report and Nonprofit Survey Findings. Reports and Publications. Retrieved February 22, 2022, from <https://ctnonprofitalliance.org/wp-content/uploads/2022/01/Nonprofit-Workforce-Crisis-Report-and-Survey-Results-The-Alliance-Jan.-2022.pdf>

ⁱⁱⁱ Black Women and the Wage Gap. 2021. Retrieved from <https://www.nationalpartnership.org/our-work/resources/economic-justice/fair-pay/african-american-women-wage-gap.pdf>

^{iv} Sullivan, L., Meschede T., Shapiro, T., & Escobar, F. (2019). Stalling dreams: How student debt is disrupting life chances and widening the racial wealth gap. Institute on Assets and

Social Policy.

<https://heller.brandeis.edu/iere/pdfs/racial-wealth-equity/racial-wealth-gap/stallingdreams-how-student-debt-is-disrupting-lifechances.pdf>

^v Watkins, A. (2019, November 4). No longer a path to the middle class. *Connecticut Mirror*.
<https://ctmirror.org/2019/11/04/no-longer-a-path-to-the-middle-class-the-student-loan-crisis-exacerbates-the-racial-wealth-gap/>